

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed Emergency

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services hereby amends Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care,” Iowa Administrative Code.

This amendment changes the current threshold for inpatient hospital readmissions combined into a single claim from 7 days to 30 days, effective July 1, 2015. As a function of the amendment, the Iowa Medicaid program will combine claims for a given member’s inpatient readmissions to the same hospital for the same conditions occurring within 30 days.

This amendment implements a cost-savings initiative that is part of the basis for the Department’s budgets for state fiscal years 2016 and 2017, beginning July 1, 2015, as appropriated by the Iowa Legislature in 2015 Iowa Acts, Senate File 505. The change to a 30-day standard, which is the policy of the Medicare program, was incorporated into the Governor’s budget as proposed to the Legislature and used by the Legislature’s Conference Committee in estimating the needs to be met by the Medicaid budget. In both the Governor’s and the Committee’s budgets, it was assumed that the change would be effective for dates of service on or after July 1, 2015. Therefore, this amendment provides that the change will be effective for dates of service on or after July 1, 2015. To the extent necessary, the policy will be applied to hospital claims retroactively after the effective date of the amendment.

This amendment will result in cost savings over the current 7-day standard because it will allow a greater number of inpatient readmissions for the same condition to be combined with the original inpatient hospital stay.

Pursuant to Iowa Code section 17A.4(3), the Department of Human Services finds that notice and public participation are unnecessary, impracticable, and contrary to the public interest. Further public participation is unnecessary because the public’s elected representatives in the Iowa Legislature have approved this change by incorporating the projected savings into the Department’s budget for state fiscal years 2016 and 2017, effective July 1, 2015. Notice and public participation are impracticable because the Department’s budget, as approved by the Legislature, assumes savings from this change effective July 1, 2015, and allowing for notice and public comment would delay implementation. Finally, notice and public participation would be contrary to the public interest because delaying implementation would require retroactive adjustment of more claims at greater administrative expense to the Department and affected hospitals.

In compliance with Iowa Code section 17A.4(3), the Administrative Rules Review Committee at its July 14, 2015, meeting reviewed the Department’s findings and the amendment and approved the Emergency adoption.

Pursuant to Iowa Code section 17A.5(2)“b”(2) as amended by 2015 Iowa Acts, House File 536, section 27, the Department also finds that the normal effective date of this amendment, 35 days after publication, should be waived and the amendment made effective July 15, 2015, because the amendment confers a benefit on the public by keeping state Medicaid expenditures within the appropriated budget.

This amendment is also published herein under Notice of Intended Action as **ARC 2076C** to allow for public comment.

This amendment does not provide for waivers because requests for waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

The Council on Human Services adopted this amendment on July 15, 2015.

After analysis and review of this rule making, no impact on jobs has been found.

This amendment is intended to implement Iowa Code section 249A.4.

This amendment became effective July 15, 2015.

The following amendment is adopted.

Amend subparagraph **79.1(5)“g”(5)** as follows:

(5) Inpatient readmissions within ~~seven~~ 30 days for same condition. ~~When~~ Effective for dates of service on or after July 1, 2015, when an inpatient is discharged or transferred from an acute care hospital and is readmitted as an inpatient to the same hospital within ~~seven~~ 30 days for the same condition, any claim for the subsequent inpatient stay shall be combined with the claim for the original inpatient stay and payment shall be under a single DRG for both stays.

[Filed Emergency 7/15/15, effective 7/15/15]

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 8/5/15.